

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

Docket No. 98-110

March 10, 1998

KENNEBEC WATER DISTRICT  
Application for Approval  
of Issue of Securities  
(\$ 902)(\$14,300,000)

ORDER APPROVING ISSUE  
OF SECURITIES

WELCH, Chairman; NUGENT and HUNT, Commissioners

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On February 6, 1998, the Kennebec Water District filed with the Commission its application for authority to issue its bonds in a sum not to exceed \$14,300,000 through A.G. Edwards & Sons, Inc., at a rate not to exceed 5.5%. The debt will be paid over a term not to exceed 23 years.

The District requires these funds to advance refund a portion of the entire principal balance of the District's 1992 series water bonds (the 1992 bonds). The purpose of this refunding is to reduce the interest payable on the 1992 bonds and thus generate savings for the District and its ratepayers. The market interest cost and net present value benefit will govern the final portion of principal to be refinanced.

Having reviewed the application of the Kennebec Water District together with data filed in support of it, it is the opinion of the Commission that the proceeds of the issuance of the bonds are required in good faith for the purposes enumerated in 35-A M.R.S.A. § 901. In approving this securities issue, consistent with normal practice and pursuant to § 902(4), the Commission does not imply approval of the District's capital needs or capitalization ratio for ratemaking purposes, nor does this Order limit or restrict the powers of the Commission in determining or fixing any rate.

Accordingly, it is

O R D E R E D

1. That the Kennebec Water District is hereby authorized to sell its bonds in a sum not to exceed \$14,300,000 to be used solely for the purposes described in this Order, and at a rate not to exceed 5.5 percent per year through A.G. Edwards & Sons, Inc. for a term not to exceed 23 years.

2. That the Kennebec Water District report to this Commission, in writing, its doings pursuant to this Order within sixty (60) days of the date of the sale of the proposed bonds, or by May 15, 1998, whichever may come first.

3. That the Administrative Director is hereby directed to mail an attested copy of this Order to interested parties and to close this Docket.

Dated at Augusta, Maine, this 10th day of March, 1998.

BY ORDER OF THE COMMISSION

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Dennis L. Keschl  
Administrative Director

COMMISSIONERS VOTING FOR:      Welch  
   Nugent  
   Hunt

## NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320 (1)-(4) and the Maine Rules of Civil Procedure, Rule 73 et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320 (5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.